

## PMUSA

WINSTON SELECT-MARLBORO INTERACTION

• Winston Select's strategy of <sup>targeting</sup> current and former Marlboro smokers appears to be successful <sup>over</sup> in the short term.

• Select's smoker profile comes closer to Marlboro (younger, male) than any other Winston franchise.

• Marlboro is underrepresented among switchers to Select and overrepresented among <sup>its</sup> alternate brand purchasers.

• Winston Select has shown dual interaction with both Marlboro and the Discount Category, bringing smokers back to Premium Brands.

- Increased availability of Select free product offers coincided with losses for both Marlboro and, to a greater extent, Discount.
- Depletion of Select's promotional inventory corresponded with Marlboro's growth and a flattening Discount trend.
- Select's return to pre-promoted trend may slow Marlboro's short term rate of growth.

Implications

- Select offers Winston its strongest relative access to Marlboro alternate purchasers.
- Marlboro could potentially have 0.6 - 0.9 share point swing coinciding with future competitive premium price propositions.

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- Marlboro has demonstrated <sup>it may temporarily lose</sup> 0.6 - 0.9 share points ~~loss~~ when faced with major competitive premium price propositions.